

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2007

	December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Net ROR	Fiscal YTD Net ROR	FY07 Net ROR	Ended 6/30/2007 Net	Ended 6/30/2007 Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	774,460	3.2%	3.2%	-1.45%	790,748	3.2%	3.2%	0.41%	-1.04%	21.75%	13.79%	N/A
Total Structured Growth	774,460	3.2%	3.2%	-1.45%	790,748	3.2%	3.2%	0.41%	-1.04%	21.75%	13.79%	11.59%
Russell 1000 Growth				-0.77%				4.21%	3.41%	19.04%	8.70%	9.28%
<i>Structured Value</i>												
LSV	830,493	3.4%	3.6%	-5.86%	893,659	3.7%	3.6%	-1.05%	-6.85%	23.29%	19.11%	16.46%
Russell 1000 Value				-5.80%				-0.24%	-6.03%	21.87%	15.93%	13.31%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	726,142	3.0%	3.0%	-1.46%	829,904	3.4%	3.4%	0.07%	-1.39%	20.43%	13.31%	11.77%
Russell 1000				-3.23%				1.98%	-1.31%	20.43%	12.34%	11.33%
<i>Enhanced S&P 500 Index</i>												
Northern Trust	558,800	2.3%	2.4%	-4.71%	756,400	3.1%	3.1%	0.34%	-4.39%	19.26%	11.40%	10.53%
Westridge	719,981	3.0%	3.1%	-3.10%	986,800	4.1%	3.1%	2.18%	-0.99%	21.05%	12.00%	11.00%
Wells Capital	567,981	2.4%	2.4%	-13.04%	666,485	2.7%	2.4%	4.26%	-9.34%	30.71%	N/A	N/A
European Credit Management	259,590	1.1%	1.1%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	0.00%
Franklin	522,121	2.2%	2.4%	-4.58%	559,938	2.3%	2.4%	-0.71%	-5.26%	N/A	N/A	N/A
Total Enhanced S&P 500 Index	2,628,472	10.9%	11.4%	-5.87%	2,969,623	9.9%	11.0%	1.60%	-4.36%	21.56%	11.94%	11.24%
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	10.71%
<i>Absolute Return Strategy</i>												
Epoch	253,735	1.1%	1.1%	-2.48%	157,144	0.6%	1.1%	0.06%	-2.43%	N/A	N/A	N/A
S&P 500				-3.33%				2.03%	-1.37%			
<i>S&P 500 Index</i>												
State Street	360,851	1.5%	1.7%	-5.86%	386,788	1.6%	1.7%	-0.79%	-6.61%	21.86%	12.41%	11.15%
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	5,574,154	23.1%	24.0%	-4.76%	6,027,866	24.7%	24.0%	0.70%	-4.09%	21.66%	13.61%	12.15%
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	1,881,957	7.8%	8.6%	-6.46%	1,962,539	8.1%	8.6%	-4.25%	-10.43%	17.13%	13.31%	14.32%
Russell 2000 + 200bp				-4.09%				-2.60%	-6.59%	18.76%	15.72%	16.16%
Callan	805,735	3.3%	3.4%	-4.56%	866,258	3.6%	3.4%	-1.14%	-5.66%	21.00%	N/A	N/A
Russell 2000				-4.58%				-3.09%	-7.53%	16.44%		
TOTAL SMALL CAP DOMESTIC EQUITY	2,687,692	11.1%	12.0%	-5.88%	2,828,797	11.6%	12.0%	-3.32%	-9.01%	17.89%	13.50%	14.44%
Russell 2000				-4.58%				-3.09%	-7.53%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	257,776	1.1%	1.1%	-4.44%	268,784	1.1%	1.1%	1.42%	-3.08%	27.82%	20.73%	15.09%
MSCI EAFE (1)				-1.75%				2.18%	0.39%	27.00%	20.77%	14.70%
<i>Large Cap - Active</i>												
Capital Guardian	792,889	3.3%	3.3%	-1.21%	808,714	3.3%	3.3%	-0.21%	-1.41%	26.04%	21.52%	14.83%
LSV	738,282	3.1%	3.3%	-5.87%	781,493	3.2%	3.3%	-3.20%	-8.89%	29.94%	N/A	N/A
Bank of Ireland	237,851	1.0%	1.1%	-7.93%	257,364	1.1%	1.1%	-4.43%	-12.00%	25.29%	19.70%	13.72%
Total Large Cap - Active	1,769,022	7.3%	7.7%	-4.12%	1,847,571	7.6%	7.7%	-6.12%	-2.09%	27.58%	22.64%	15.45%
MSCI EAFE - 50% Hedged				-2.19%				0.11%	-2.08%	26.94%	22.55%	15.71%
<i>Small Cap - Active</i>												
Lazard	76	0.0%	0.0%	-26.49%	249,415	1.0%	1.1%	-3.54%	N/A	24.18%	22.99%	21.28%
DFA	227,927	0.9%	1.1%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Wellington	255,381	1.1%	1.1%	-4.48%	266,132	1.1%	1.1%	-0.96%	-5.40%	26.62%	20.49%	21.40%
Total Small Cap - Active	483,384	2.0%	2.2%	-4.71%	515,547	2.1%	2.2%	-2.23%	-6.83%	25.39%	21.75%	21.34%
Citigroup Broad Market Index < \$2BN				-5.94%				-0.66%	-6.55%	28.60%	26.33%	25.39%
TOTAL INTERNATIONAL EQUITY	2,510,182	10.4%	11.0%	-4.26%	2,631,902	10.8%	11.0%	-1.77%	-5.96%	27.21%	22.14%	16.66%
MSCI EAFE - 50% Hedged				-2.19%				0.11%	-2.08%	26.94%	22.55%	15.71%
EMERGING MARKETS EQUITY												
<i>Core</i>												
JP Morgan	151,707	0.6%	0.5%	5.71%	159,246	0.7%	0.5%	11.70%	18.07%	46.07%	N/A	N/A
PanAgora	148,041	0.6%	0.5%	3.21%	159,197	0.7%	0.5%	15.67%	19.38%	46.34%	N/A	N/A
WestLB	150,076	0.6%	0.5%	5.94%	158,352	0.6%	0.5%	14.72%	21.54%	42.11%	N/A	N/A
UBS	221,220	0.9%	0.9%	5.27%	278,074	1.1%	0.9%	14.81%	20.85%	42.04%	N/A	N/A
Total Core	671,043	2.8%	2.4%	5.07%	754,869	3.1%	2.4%	14.30%	20.10%	43.90%	37.74%	29.07%
MSCI Emerging Markets				3.66%				14.52%	18.71%	45.45%	38.67%	21.67%
<i>Small Cap</i>												
DFA	147,148	0.6%	0.6%	0.06%	167,250	0.7%	0.6%	7.40%	7.46%	68.14%	N/A	N/A
MSCI Emerging Markets				3.66%				14.52%	18.71%	45.45%		
<i>Private Equity</i>												
Capital International	16,349	0.1%	0.1%	-5.35%	6,318	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets				3.66%				14.52%				
TOTAL EMERGING MARKETS EQUITY	834,540	3.5%	3.0%	4.12%	928,436	3.8%	3.0%	12.77%	17.41%	48.23%	38.70%	29.61%
MSCI Emerging Markets				3.66%				14.52%	18.71%	45.45%	38.67%	30.66%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	610,692	2.5%	2.0%	0.80%	661,571	2.7%	2.7%	2.08%	2.89%	7.00%	4.29%	5.59%
Lehman Aggregate				3.00%				2.84%	5.93%	6.12%	3.98%	4.48%
<i>Index</i>												
Bank of ND	1,253,314	5.2%	6.1%	3.34%	1,190,012	4.9%	6.1%	3.15%	6.60%	5.69%	3.78%	4.49%
Total Index	1,253,314	5.2%	6.1%	3.34%	1,190,012	4.9%	6.1%	3.15%	6.60%	5.69%	3.92%	4.50%
Lehman Gov/Credit				3.10%				3.01%	6.20%	6.00%	3.84%	4.69%
<i>Convertibles</i>												
Calamos (2)	597,157	2.5%	2.0%	-0.03%	703,505	2.9%	2.7%	3.50%	3.47%	N/A	N/A	N/A
Total Convertibles	597,157	2.5%	2.0%	-0.03%	703,505	2.9%	2.7%	3.50%	3.47%	12.55%	5.57%	3.31%
Merrill Lynch All Convertibles (3)				-3.25%				1.01%	-2.27%	15.38%	8.30%	10.89%
<i>BBB Average Quality</i>												
Wells Capital	612,001	2.5%	2.0%	1.86%	656,497	2.7%	2.7%	1.91%	3.81%	9.12%	5.96%	6.71%
Lehman BBB				1.90%				1.67%	3.60%	7.54%	4.47%	6.43%

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2007

	December-07				September-07				Current Fiscal YTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	Net	Net
Private Debt												
Prudential	637,558	2.6%	2.0%	1.97%	632,617	2.6%	2.7%	1.88%	3.88%	7.16%	N/A	N/A
Lehman Aggregate				3.00%				2.84%	5.93%	6.12%		
Timberland												
TIR - Teredo (4)	577,376	2.4%	2.4%	14.92%	512,910	2.1%	2.1%	-0.17%	14.72%	26.95%	12.73%	12.23%
TIR - Springbank	1,099,296	4.6%	4.6%	-0.46%	1,085,734	4.5%	4.5%	-0.07%	-0.54%	26.90%	N/A	N/A
Total Timberland	1,676,671	6.9%	6.9%	4.47%	1,598,644	6.6%	6.6%	-0.11%	4.36%	27.33%	26.21%	20.09%
NCREIF Timberland Index				3.90%				3.90%	7.95%	11.89%	15.17%	11.37%
Infrastructure												
JP Morgan	784,316	3.2%	3.2%	0.18%	268,705	1.1%	1.1%	-0.69%	-0.51%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	6,171,710	25.6%	24.5%	2.38%	5,711,550	23.4%	24.5%	1.68%	4.10%	12.52%	11.43%	10.17%
Lehman Aggregate				3.00%				2.84%	5.93%	6.12%	3.98%	4.48%
HIGH YIELD BONDS												
Core												
Loomis Sayles	586,918	2.4%	2.3%	-0.92%	582,978	2.4%	2.4%	0.37%	-0.55%	13.37%	11.25%	N/A
Sutter/Wells Capital	521,585	2.2%	2.3%	0.30%	544,257	2.2%	2.4%	-3.19%	-2.90%	9.82%	8.02%	N/A
Total Core	1,108,503	4.6%	4.6%	-0.33%	1,127,235	4.6%	4.7%	-1.39%	-1.71%	11.59%	9.63%	5.67%
LB High Yield 2% Issuer Contstrained Index				-1.07%				0.40%	-0.67%	11.22%	8.70%	N/A
Mezzanine Debt												
Goldman Sachs 2006 Fund	26,553	0.1%	0.1%	1.03%	26,096	0.1%	0.1%	-1.07%	-0.05%	7.39%	N/A	N/A
Goldman Sachs Fund V	21,449	0.1%	0.1%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
TCW	44,060	0.2%	0.2%	0.54%	40,031	0.2%	0.2%	-2.96%	-2.44%	N/A	N/A	N/A
Total Mezzanine Debt	92,062	0.4%	0.4%	0.63%	66,127	0.3%	0.3%	-1.72%	-1.10%	7.39%	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-1.07%				0.40%	-0.67%	11.22%		
Distressed Mortgages												
PIMCO	15,321	0.1%	0.1%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Declaration Management	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Distressed Mortgages	15,321	0.1%	0.1%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-1.07%								
TOTAL HIGH YIELD BONDS	1,215,885	5.0%	5.0%	-0.22%	1,193,362	4.9%	5.0%	-1.35%	-1.56%	11.62%	9.64%	11.24%
LB High Yield 2% Issuer Contstrained Index				-1.07%				0.40%	-0.67%	11.22%	8.77%	11.75%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	1,044,948	4.3%	4.5%	3.31%	1,019,296	4.2%	4.5%	7.48%	11.05%	0.21%	2.69%	6.66%
Citigroup Non-US Gov't Bond Index (5)				3.91%				8.10%	12.33%	2.22%	3.23%	6.89%
International Core												
Brandywine	1,092,663	4.5%	4.5%	2.60%	1,056,974	4.3%	4.5%	5.77%	8.52%	6.63%	7.38%	N/A
Lehman Global Aggregate (ex-US)				3.38%				7.35%	10.98%	3.78%	5.22%	N/A
TOTAL INTERNATIONAL FIXED INCOME	2,137,611	8.9%	9.0%	2.95%	2,076,270	8.5%	9.0%	6.60%	9.75%	3.41%	5.03%	8.23%
Citigroup Non-US Gov't Bond Index (5)				3.91%				8.10%	12.33%	2.22%	3.27%	6.92%
REAL ESTATE												
INVESCO - Core	958,348			2.14%	951,333			3.09%	5.30%	14.44%	N/A	N/A
INVESCO - Fund II	31,456			N/A	-			N/A	N/A	N/A	N/A	N/A
J.P. Morgan Strategic & Special Funds	994,577			2.49%	985,228			4.18%	6.77%	19.72%	20.09%	15.71%
J.P. Morgan Alternative Property Fund	226,539			0.50%	225,159			0.00%	0.50%	6.70%	N/A	N/A
TOTAL REAL ESTATE	2,210,920	9.2%	8.5%	2.10%	2,161,721	8.9%	8.5%	3.25%	5.42%	15.47%	20.09%	15.71%
NCREIF TOTAL INDEX				3.56%				3.56%	7.25%	17.24%	17.83%	14.30%
ALTERNATIVE INVESTMENTS												
Coral Partners V	27,591			-1.64%	14,926			-1.25%	-2.87%	-1.78%	-4.71%	-14.30%
Coral Partners V - Supplemental	3,301			-5.29%	2,134			-0.33%	-5.60%	8.49%	3.75%	0.86%
Coral Momentum Fund (Formerly Fund VI)	66,147			-4.08%	42,231			43.80%	37.93%	-16.26%	-8.10%	N/A
Brinson 1998 Partnership Fund	6,257			7.53%	3,698			6.31%	14.32%	31.02%	22.24%	11.25%
Brinson 1999 Partnership Fund	12,442			1.84%	9,599			8.83%	10.83%	19.95%	14.43%	7.53%
Brinson 2000 Partnership Fund	46,204			3.81%	27,257			12.46%	16.74%	13.52%	18.72%	9.86%
Brinson 2001 Partnership Fund	33,539			-5.15%	21,656			7.25%	1.72%	15.81%	13.02%	7.67%
Brinson 2002 Partnership Fund	17,491			-1.75%	12,237			7.77%	5.88%	11.10%	12.11%	11.95%
Brinson 2003 Partnership Fund	6,572			5.07%	3,831			-2.14%	2.82%	34.38%	19.70%	N/A
Total Brinson Partnership Funds	122,505			2.77%	78,277			8.74%	11.75%	16.34%	16.34%	10.08%
Brinson 1999 Non-US Partnership Fund	5,972			-0.20%	3,664			-15.34%	-15.51%	111.26%	57.67%	39.95%
Brinson 2000 Non-US Partnership Fund	16,349			3.76%	9,649			9.22%	13.32%	55.10%	34.26%	25.05%
Brinson 2001 Non-US Partnership Fund	10,872			4.45%	7,585			8.40%	13.22%	7.81%	14.42%	11.71%
Brinson 2002 Non-US Partnership Fund	24,127			4.69%	15,196			9.52%	14.66%	88.98%	43.24%	29.72%
Brinson 2003 Non-US Partnership Fund	21,518			8.33%	12,164			5.76%	14.57%	76.59%	33.38%	N/A
Brinson 2004 Non-US Partnership Fund	8,640			3.79%	5,098			7.85%	11.94%	23.98%	15.75%	N/A
Total Brinson Non-US Partnership Fund	87,478			4.91%	53,357			6.06%	11.27%	62.33%	35.68%	25.84%
Brinson BVCF IV	66,561			4.45%	39,034			9.99%	14.88%	-3.23%	10.47%	6.87%
Adams Street Direct Co-investment Fund	53,358			5.57%	20,877			-0.11%	5.45%	N/A	N/A	N/A
Matlin Patterson Global Opportunities	28,266			76.23%	9,823			-60.15%	-29.77%	10.95%	25.72%	N/A
Matlin Patterson Global Opportunities II	124,866			-0.54%	70,253			0.61%	0.07%	37.09%	N/A	N/A
Matlin Patterson Global Opportunities III	13,138			-2.74%	8,273			-15.88%	-18.18%	N/A	N/A	N/A
InvestAmerica	26,594			0.00%	16,287			18.49%	18.49%	13.96%	-2.58%	-5.68%
Hearthstone MSII	272			0.27%	0			0.00%	0.27%	-95.85%	-100.00%	-100.00%
Hearthstone MSIII	9,418			1.16%	7,753			18.89%	20.27%	208.65%	79.05%	N/A
Corsair III	35,420			-1.20%	8,039			14.87%	N/A	N/A	N/A	N/A
Quantum Resources	15,239			-4.10%	8,004			-8.56%	-12.31%	N/A	N/A	N/A
Quantum Energy Partners	6,931			4.30%	4,070			-17.70%	-14.16%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (6)	687,084	2.8%	3.0%	2.48%	383,338	1.6%	3.0%	3.37%	5.93%	16.97%	15.16%	8.08%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	108,297	0.4%	0.0%	0.38%	421,496	1.7%	0.0%	0.68%	1.06%	5.25%	3.91%	3.00%
90 Day T-Bill				1.05%				1.34%	2.40%	5.21%	3.78%	2.76%
TOTAL FUND	24,138,074	100.0%	100.0%	-1.08%	24,364,738	100.0%	100.0%	1.19%	0.11%	17.87%	13.79%	12.47%
POLICY TARGET BENCHMARK				-0.34%				2.14%	1.79%	14.48%	10.23%	9.83%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.

(3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.

(5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.